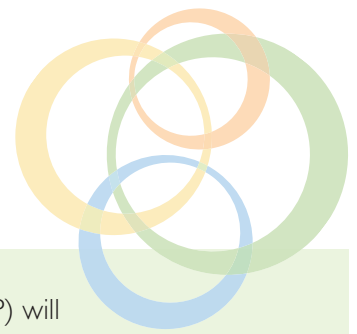


# Northern New Mexico Performance-Based Compensation Program



The Northern New Mexico Performance-Based Compensation Program (NNM PBCP) will implement and evaluate a teacher and principal compensation system that uses valid and reliable measures of student achievement as the primary indicator of effective performance. The program will be implemented in two high-need school districts, which will establish differentiated levels of compensation to recruit and retain effective teachers and principals in high-need rural schools and in hard-to-staff subjects and will build the capacity of teachers and principals in participating schools to raise student achievement through the provision of professional development and system support structures.

## **Needs Assessment Results and General Information**

Each of the two districts participating in NNM PBCP faces low student achievement scores, increasing dropout rates, and some problems with the recruitment/retention of high quality teachers. These issues are particularly difficult to address given the isolation and poverty of rural communities and the continuing effect of the economic decline of the region on revenues for school operations. The two participant school districts, Taos and Espanola, serve a majority of students who are Hispanic and Native American. The project involves two high schools, two middle schools and 13 elementary schools. Nineteen principals and 381 teachers are directly affected by the project.

## **Background**

The reform of teacher and principal compensation is not a new concept for the state. The 2003 New Mexico Public School Reforms Act raised teacher salaries by mandating minimum salaries for Levels I,

II, III teachers. Teacher Level Certification is based on acquisition of a master's degree, preparation of a dossier by teachers detailing use of data, research-based strategies, and other components of quality instruction. Evaluations by principals are also included. The state is also reviewing current practices of evaluating and compensating school principals and has established minimum salaries for school principals. Despite all of these good efforts, linking teacher and principal effectiveness to improved student achievement has not been completed.

## **Incentives**

NNM PBCP will offer incentives to teachers, principals, and educational assistants for (1) school-wide achievement gains, (2) individual classroom achievement gains, and (3) student achievement gains among high-need student groups (NCLB). Incentives will also be given to teachers and principals who acquire additional skills and knowledge and demonstrate their use in classrooms and schools. In addition, NNM PBCP will offer incentives for

<b>Location(s)</b>	Two rural schools districts in Northern New Mexico
<b>Award Date</b>	November 2006
<b>Duration</b>	5 years
<b>Partners</b>	Northern New Mexico Network for Rural Education, Espanola Schools; Taos Schools; Evaluator: Wexford

recruiting and retaining highly effective teachers in hard-to-staff schools and subject matter areas. Incentives for both teachers and principals range from \$2,434 to \$3,651 per individual. Educational assistants will also receive incentives ranging from \$1,217 to \$1,825 per individual. These figures can increase depending on year-end final figures on the number of staff members meeting PBC criteria.

### **Evaluation**

An external evaluator, Wexford, will assess the management, quality, effectiveness, and impact of the project's services. The key issues are: (1) management structure and effectiveness, (2) degree to which the project meets all key goals, (3) customer satisfaction and perception of the utility and effectiveness of services, and (4) effectiveness of design components of the models of supportive pay for teachers and principals.

### **Resources**

Local and state resources will be focused on the implementation of the compensation system. Foundation support for both school districts is available, but will need to be augmented by the re-direction of other state and Federal funds.

### **Data Systems**

The project uses a data system designed to track student success and tie data to indices of teacher/principal quality. New Mexico is currently implementing a new data management system, Student Teacher Accountability Reporting System (STARS), which has been made available to TIF schools. An alternative short cycle student assessment system, Northwest Evaluation Association's Measures of Academic Progress, is being used to link teacher effectiveness to students' growth in academic achievement. These data greatly increase the trust level among teachers and principals that their effectiveness as professionals will be established with minimum bias.

### **Year 3 Activities**

NNM PBC Program's Year 3 activities included awarding of initial incentive awards at Taos Schools for skills and knowledge, student achievement, and retention/recruitment. This district joined the PBC Program after three of the initial four school districts opted-out of the project. The remaining original participant school district, Espanola, with a newly formed employee union, has increased teacher PBC Program participation. The two districts are poised to begin classroom-based student achievement incentives during Year 3. The Espanola School District is realizing significant student achievement increases, especially in mathematics, since the PBC project began.

### **Outlook for Year 4**

There is much optimism at both school districts that the use of PBC to improve student achievement will succeed. Espanola already has short cycle assessment data that indicate that PBC, with increased professional development and alignment of system support structures, does affect student achievement. The involvement of the Espanola Schools Employees Union in the district's Leadership Teams has been achieved and should lead to increased positive results. Taos Schools has succeeded at establishing unique student support structures at their high school and middle school through the use of PBC incentives. The outlook for the success of these efforts is good. Teacher/principal participation is increasing at both school districts. Taos Schools is attempting to extend PBC to its elementary schools. Sustainability of effort in a context of decreasing revenues for NM schools is presenting unique challenges for both participant districts, but new resources are being sought.